



To: Mayor and City Council
From: Dylan Mulfinger
Subject: Matt Construction 1 South Frederick
Date: 2/26/2024

The city council has a rare opportunity to partner with a firm which has the capabilities to save a downtown building in Oelwein. I recommend the city provides a \$100,000 economic development incentive for Matt Construction so that they can save and rehabilitate the 1 South Frederick building. The City has funds in reserve from the Downtown TIF program that can be used for this improvement. This award should not affect the current program if the county's projections on the downtown taxes are accurate.

Year	Funds awarded
FY2025	\$50,000
FY2026	\$25,000
FY2027	\$25,000

The proposed improvements for 1 South Frederick meet all the criteria required in the Downtown TIF program. These funds are being awarded because it saves the building and will help the new owner's chances at being awarded the Downtown Catalyst grant from the Iowa Economic Development Authority.

Should the city council pass this motion city staff will work with the city attorney to create a development agreement which allows the city to award the funding. The city council will have to pass the development agreement by resolution at the next council meeting. Should Matt Construction not make the improvements, they will not be awarded the funding.